642 On December 3, 1945, a committee of the political parties entrusted Secretary of State Figl with the formation of a government, which the Allied Commission approved on December 18, 1945. On December 20, 1945, a session of the Federal Assembly (Nationalrat and Bundesrat) with a vote of 204 out of 205 elected Dr. Karl Renner to the presidency. He accepted the office for the term of six years.

642 The new federal government as well as the
642 presidency were recognized by notes of the various powers although these notes showed deviations in texts. Thus the first phase of the constitutional reestablishment of the Second Austrian Republic was concluded. The federal government could proceed with the task of solving the most important economic problems.

2. The Situation after the Cessation of Hostilities and the First Economic Reorganization Measures, 1945-1947.

727 The reestablished Second Austrian Republic faced a great economic task. The losses and damages from the war destroyed almost a quarter of the total national capital which had amounted to about 38 billion schillings.

[362] In Vienna alone, 37,000 apartments were completely destroyed and 50,000 partly destroyed, while 25,000 were less severely damaged. Aside from extensive destruction of raw materials was the loss of machinery through dismantlements, especially in the eastern part of the country after 1945, which caused deficiencies in extremely valuable production material amounting to at least 1.2 billion RM (at prices fixed as of 1940). Plants of the electric, vehicle, machine, iron and metal industries, and steel mills lost more than 46,000 machines. This meant that in some instances, the combined loss of the war and postwar period amounted to 80 percent of the [433] machines and equipment. These deficiencies were all the more burdensome since the destruction and the removal of the production means led unavoidably to severe disturbances in the general economic scheme.

[162] Austria also suffered substantial losses in human lives. Out of a population of 7,000,000, the number of dead or missing totalled 350,000 and the wounded 170,000. These losses were mainly from the ranks of the able-bodied age groups (13 percent).

and on the Eisenberg and the pyrite rocks at Redlschlag are instances of the varying types of soil.

Unique in Central Europe, however, is the asbestos of Rechnitz and the Styrian jade from Bernstein. The green, veined stone is really beautiful. It comes to the workers who have inherited their trade from father to son as uninteresting stone splinters. The final products can be seen at the Vienna fair—unbelievably delicate vessels and translucent vases. The finest examples have gone to all parts of the world. The late King Alfonso of Spain even took some of them with him into exile.

The Burgenland is a country of ancient traditions, legends and memories. The story of the good prince Giletus and his wicked wife is supposed to explain the origin of the Neusiedler Lake. Then there is the legend of the "Wasserstoffel", a creature like a human being which lived in the Neusiedler Lake like a fish and, caught and tamed, emptied a whole sack of frogs, snails and water-snakes on to the banqueting table of his adored young mistress at her marriage, because this seemed to him to be a most delicate dish. The wedding gift was anything but well received, and the poor Wasserstoffel, who had meant it well, fled in despair and was never seen again. The Templar knights, who lost the castle of Lockenhaus through treachery, are said still to haunt it. In one of the most beautiful castles there occasionally appears a "White Lady", gentle and gracious.

The son of Wolfers von Güssing and his grandsons were called Henz, and from these proud lords whose family was one of the most powerful in the Burgenland the inhabitants are supposed to have received the name of Heinzen.

Between Güns and the Carolingian Lutzmannsburg lies the monastery of Marienberg. It was founded in 1194 as a branch of the Austrian Cistercians of Heiligenkreuz, who about this time were granted estates on the shores at the Neusiedler Lake, where the name of Monchhof still recalls their memory.

Frankenau and a number of neighbouring parishes are inhabited by Croats. This race is to be found in many other villages scattered throughout the whole Province. How they got there, we shall see later. First let us visit the basket weavers

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First let us visit the basket weavers of the beautiful Rabnitz Valley and the potters of Stoob where the ancient craft of pottery is still carried on by hand. Then let us cross to Raiding. Here the small house is still standing where a great man in the world of music first saw the light of day—Franz Liszt. He was triumphant the world over, from Russia to France and England. Everywhere the smiles of lovely women welcomed him but more and more he was affected by that melancholy which is reflected in the verses of Lenau. The latter had connections with the Burgenland through his mother; his lyrics won as many friends for the land of the *Puszta* as did the Hungarian rhapsodies of Liszt.

Basket-Weaver.

131 Past Ritzing, where the surface belongs to the Burgenland but the coal below it to Hungary, because the tunnels of Brennberg, near Ödenburg, burrow below the frontier, our way leads us to Sieggraben. This is the home of the Semmelweis family, whose most famous son brought salvation from the scourge of puerperal fever to the child-bearing mothers of all times. From here the road climbs to the summit of the Rosaliengebirge, where a view opens towards the east across the Wulka Plain, taking in Ödenburg and the Neusiedler Lake and westwards, the Bucklige Welt, Wiener Neustadt and the Leitha.

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Village Drummer.

On the Leitha also lies the battlefield of 1246. Friedrich the Quarrelsome, last of the Babenbergs, made the territory which had formerly belonged to the Mark of the Carolingians the subject of his first demands.

The Burgenland was long contested. Not for nothing do the many churches in its pleasant villages stand on commanding heights, surrounded by walls which give them the appearance of fortresses, and not for nothing were the many castles and fortified towers set up.

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The days of the Turkish invasions brought poverty and desolation to the land, but at the same time a new population which was fleeing from the Turks and found a new home in the Burgenland—the Croats. From Kroboteck in the district of Jennersdorf through Stinatz, Punkitz, Podgoria and Kroatisch-Minihof there

Village Street.

are many village names of Croat origin. These Croats not only repopulated the devastated areas but also cleared the forests to build new settlements. The "Displaced Persons" of the Turkish Wars have become an indispensable part of the Burgenland population.

They are called "Wasserkroaten". It is uncertain as whether this refers to their having come from the coasts of Dalmatia, or whether "Wosser Kroaten" points to their having come from the province of Wossen, i. e. Bosnia.

The soil of the Burgenland is not capable of feeding all its children, so that thousands of its inhabitants become bricklayers who work for the whole week in other parts of Austria during the season, to return on Saturdays to their native villages. Their busy hands have helped to create the splendid buildings on the Ringstrasse. In the plaster and stucco decorations of these are concealed the reeds of the Neusiedler Lake. The Votivkirche, in Vienna, is built of stone from the quarries of St. Margarethen, between Eisenstadt and the lake. The Italians who were summoned to the Leithagebirge in 1550 as stone masons had barely become Burgenlanders when they were commissioned to work on the imperial "Neugebäude" in Ebersdorf. Thus there is a close connection between Kaiser-Ebersdorf in Vienna and the Burgenland parish of Kaisersteinbruch in the Leithagebirge.

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Day, who transported his goods by one of the prescribed highways enjoyed, no matter whence he came, the local governor's protection for his person, his goods and his waggons, a truly enviable privilege in the unsettled times of the closing 13th and the 14th century.

During the Middle Ages it was open to anyone from every country to bring what goods he liked to the two great Vienna markets, with the exception of wine and beer, which were available in abundance on the spot, and of excellent quality. People of every trade and every guild could sell and offer their wares freely.

After the Turkish Wars there was a fresh revival of Vienna market life in the 18th century. But then the discoveries of the weaving loom and the steam-engine began to take effect on production and trade. In the 19th century the railway rendered goods fairs superfluous and the markets began to be transformed into sample exhibitions.

The economic system of the Austro-Hungarian Monarchy was so well-balanced that it had at first no need of any special display of sample products within its frontiers. The exchange of goods between the agrarian and the industrial areas went on smoothly and although samples of all the products of the Empire were occasionally displayed at great exhibitions—Vienna owes the building of the Rotunde to the Great Exhibition of 1873—there was actually no need of special methods to advertise or boost them, for demand and supply were well adjusted, and connections between producers and their customers dated from the times of their fathers and grandfathers.

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After 1918 more than a third of Austria's population was engaged in industry and commerce, nearly a further third being occupied with agriculture and forestry. In both cases the small or medium sized concerns were predominant, a fact which explains the ability of Austrian economy to weather the storms of crises. It had never taken special measures to promote war industries.. Never through war, but through the years of peace had the Empire prospered. When in 1866 Austria lost the war against Prussia it was because, despite the better training of her troops, the Austrian rifle was inferior to the Prussian.

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It is in concerns in which intensive labour and detail is important that the individual talent of the Austrian can find expression, not in great concerns resorting

million tons, of lignite from 3·1 to 27·4 million tons, of pig-iron from 0·25 to 1·8 million tons. The railway network increased in the same period from 6,000 km. to 23,000 km. and considerable strides were also made in agriculture and in foreign trade, though the latter played only a comparatively small part in the economic life of the Empire.

The trend towards industrialization is also shown by the percentages of persons engaged in Industry and Commerce at various dates (figures for Austria-Hungary).[1]

	1869	1890	1900	1910
Industry	19·7	21·3	22·2	24·2
Commerce and Transport	5·2	6·2	7·3	8·8
Agriculture	67·1	62·4	58·1	56·8
Services, Professions and others	8·0	10·1	12·2	9·9

These figures suggest that, in spite of a constant process of industrialization, the Austrian-Hungarian Monarchy was still a predominantly agricultural country. Moreover, this process was spread very unevenly over the whole area, leaving some regions seriously undeveloped while others attained a highly industrial character. While, for instance, the percentage of persons employed in agriculture in 1910 was 57 for the whole monarchy, it was 69 for Hungary alone but only 40 for Bohemia. In fact, industrialization was largely concentrated in a few areas, viz. the Bohemian-Moravian-Silesian region, rich in coal, the area round the Styrian iron ore deposits, and the Vienna district. Later, another industrial region sprang up in Upper Austria, between Steyr, Enns, and Linz.

Several factors were responsible for this high degree

1 [CF CAT 116, P. 12 — ANALYST]

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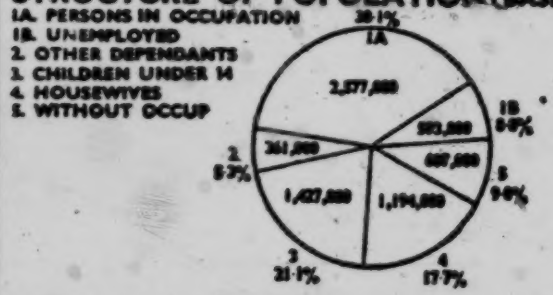
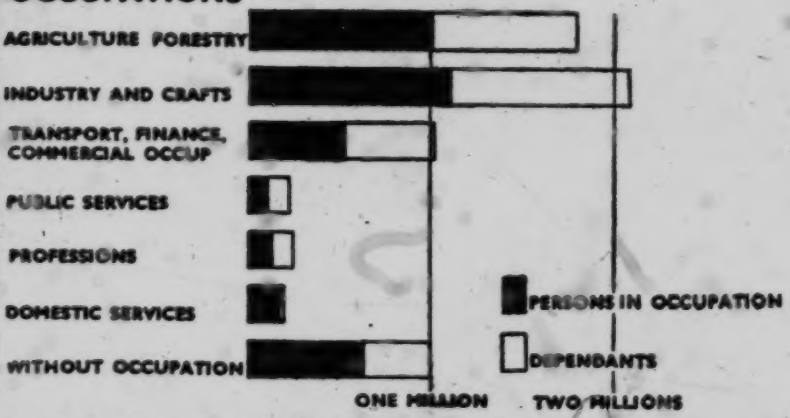
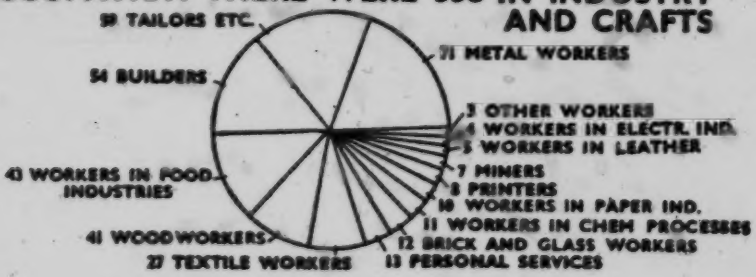
STRUCTURE OF POPULATION (BASED ON 1934 CENSUS)



OCCUPATIONS



OUT OF ONE THOUSAND PERSONS IN OCCUPATION THERE WERE 358 IN INDUSTRY AND CRAFTS



[p. 117]